

From: "Megan Doyle" <doylem303@hotmail.com> on 04/06/2004 01:30:53 PM
Subject: Regulation BB - Community Reinvestment Act

April 6, 2004

Docket No. 04-06
Communications Division
Public Information Room, Mailstop 1-5
Office of the Comptroller of the Currency
250 E St. SW,
Washington 20219

Docket No. R-1181
Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington DC 20551

Robert E. Feldman
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th St NW
Washington DC 20429

Regulation Comments, Attention: No. 2004-04
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street NW
Washington DC 20552

Dear Officials of Federal Bank and Thrift Agencies:

I am a concerned citizen writing to urge you to WITHDRAW the currently proposed changes to the Community Reinvestment Act (CRA) regulations.

CRA has been instrumental in increasing access to homeownership, boosting economic development, and expanding small businesses in the nation's minority, immigrant, and low- and moderate-income communities. However, the proposed changes are contrary to the CRA statute because they will halt the progress made in community reinvestment and undermine its purpose.

The proposed changes will eliminate the investment and service parts of the CRA exam for banks and thrifts with assets between \$250 and \$500 million. This would reduce the rigor of CRA exams for 1,111 banks that account for more than \$387 billion in assets. These not-so-small banks may seem insignificant in the comparison with prominent megabanks, but they have a huge impact on the communities they serve. In turn, communities deserve the right to have those banks monitored and, if necessary, disciplined for neglectful and harmful behavior. It is imperative that banks fulfill their public obligation to serve ALL of their community, without fair exclusion and without predatory practices. Limiting the means by which you can monitor this is unacceptable and contradictory to the original purpose of CRA.

The changes also contain an "anti"-predatory lending standard that will actually perpetuate abusive lending. In this proposal, the new definition of "predatory" is very narrow and, ultimately, CRA exams will allow abusive

lending as packing fees into mortgage loans, high prepayment penalties, loan flipping, mandatory arbitration, and other numerous abuses won't be considered "predatory". Rigorous fair lending audits and severe penalties on CRA exams for abusive lending are NECESSARY in order to ensure that the new minority homeowners served by the Administration are protected. Yet, the proposed predatory lending standard will NOT provide these necessary protections.

CRA is too vital to be gutted by harmful regulatory changes and neglect. Please help save our communities by withdrawing these harmful proposed changes. I thank you for your attention to this critical matter.

Sincerely,

Megan K. Doyle

Cc:
President George W. Bush
Treasury Secretary John W. Snow

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